GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:941
ANSWERED ON:04.03.2008
KHADI CLUSTERS
Joshi Shri Pralhad Venkatesh

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a): whether the Government proposes to set up khadi, agro and village industry clusters;

(b): if so, the details of such clusters with its specific features, State and UT-wise;

(c): whether the Government of Karnataka has forwarded proposals to the Union Government for financial assistance in this regard; and

(d): if so, the reaction of the Government thereto?

Answer

MINISTER OF MICRO,SMALL & MEDIUM ENTERPRISES(SHRI MAHABIR PRASAD)

(a)&(b): Yes Sir. The Government, in the Ministry of Micro, Small and Medium Enterprises has launched the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) for development of around 100 clusters from khadi, village and coir sectors with a total plan outlay of Rs. 97.25 crore. The Scheme envisages need- based assistance for replacement of production equipment, setting up of common facility centres (CFC), product development, quality improvement, improved marketing, training and capacity building, etc. The guidelines of SFURTI are available on the website of the Ministry at http://msme.nic.in. 118 clusters (33 from khadi, 59 from VI and 26 from coir) have been approved for their development under this scheme. State/UT wise list of clusters selected under SFURTI is enclosed at Annex.

(c)&(d): Under SFURTI, the Ministry of Micro, Small and Medium Enterprises (erstwhile Ministry of Agro and Rural Industries) does not receive any proposals directly from State/UT Governments. The cluster development proposals are received by the Nodal Agencies, i.e. Khadi and Village Industries Commission (KVIC) and Coir Board from Khadi Institutions, NGOs, institutions of the Central and State Governments and semi Government institutions with the consent of the State Governments. After examining the proposal, the same are forwarded by the Nodal Agency to the Scheme Steering Committee of SFURTI for consideration. The details of clusters from the State of Karnataka approved under this scheme are Statement.